



**Office of Rental Assistance and Homeless Solutions**

**NOTICE OF FUNDING AVAILABILITY (NOFA)**

**Emergency Solutions Grant Program**

**October 1, 2015 – September 30, 2016**

**“Men build too many walls and not enough bridges.”**

*Sir Isaac Newton*

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**2015-2016 FY Emergency Solutions Grant Timeline**  
**October 1, 2015 to September 30, 2016**

<b>June 10, 2015</b>	NOFA released and posted (6-12-15) at <a href="http://www.michigan.gov/mshda">www.michigan.gov/mshda</a> , click on Homeless and Special Needs. Please submit any questions to the ESG Help Desk at <a href="mailto:MSHDA-ESGHelp@michigan.gov">MSHDA-ESGHelp@michigan.gov</a> , or phone your Homeless Assistance Specialist.	
<b>July 31, 2015</b> <b>No later than 5:00 p.m.</b>	ESG application is due on MATT 2.0 Late applications <b>will not</b> be accepted.	
<b>August 28, 2015</b>	Grants mailed to the Fiduciary (No funds can be incurred until the grant has been signed by the grantee and MSHDA.)	
<b>October 1, 2015</b>	Grant start date	
<b>Webinar Dates &amp; Times</b>	<b>Date</b>	<b>Time</b>
	June 22, 2015	10:00 a.m. to 11:30 a.m.
	July 13, 2015	1:00 p.m. to 2:30 p.m.
<b>September 1, 2015</b>	Exhibit 1 due Mail to Juliann Kline, MSHDA, PO Box 30044, Lansing, MI 48909 No faxes or email submissions will be accepted.	

Sign up for Webinars at: [www.michigan.gov/mshda](http://www.michigan.gov/mshda). From the menu select: Homeless and Special Housing Needs – in the middle of the page select ESG Grant Management Webinars for a drop down menu of scheduled dates.

**Emergency Solutions Grant Program**  
**NOTICE OF FUNDING AVAILABILITY (NOFA)**  
**2015-2016**

**GENERAL OVERVIEW**

The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009 broadens existing emergency shelter and homelessness prevention activities and emphasizes rapid re-housing. This assists people to quickly regain stability in permanent housing after experiencing a housing crisis, and supports centralized intake and effective data collection, performance measurement, and program evaluation systems.

The Campaign to End Homelessness State Partners are working together to establish and provide ongoing support to communities carrying out the mission of preventing and ending homelessness in Michigan. By requiring communities to embrace a centralized intake system, capacity for providing housing assistance to all those within the community with a housing need will be improved. This centralized intake system is created through an agency known as the Housing Assessment and Resource Agency (HARA).

With Continuum of Care (CoC) oversight, the HARA operates a centralized intake system by mapping out the resources and delivery process used to prevent homelessness and rapidly re-house people living in homelessness. As a result, duplication of services is reduced and gaps within the community's system are identified. In addition, the HARA's centralized intake system overcomes barriers that individual programs cannot address, allowing communication, coordination, and collaboration to be brought to scale on a community-wide level. Moreover, the HARA's centralized intake system challenges CoC communities to do business differently, direct resources in new, innovative ways, and allows for investment in a CoC's infrastructure.

Outcome goals of the HARA's centralized intake system include: diverting entry into shelter by finding alternative housing or sustaining existing housing, decreasing the average length of a homeless episode, aligning scarce community resources through the use of the Service Prioritization Decision Assistance Tool (SPDAT).

**I. Program Description**

The Emergency Solutions Grant (ESG) offers funding assistance to public and non-profit organizations that are responding to the needs of homeless populations through a comprehensive communitywide planning process and implementation strategy known as a 10-Year Plan to End Homelessness. Note that the HEARTH Act clarifies that local public housing agencies and state housing finance agencies are not eligible recipients of these ESG funds. MSHDA is eligible for these dollars because they are passed through to sub-grantees.

A performing HARA shall remain the same year after year to ensure capacity and housing knowledge are developed, funding is appropriately directed and community recognition is maintained. If the current HARA determines they can no longer perform the required function, the CoC shall recommend a new agency. If a CoC determines the HARA is having difficulties functioning as intended, please contact your MSHDA Homeless Specialist for technical assistance.

### **Core Strategies for ESG:**

- **Ensure emergency housing needs are met.**
- **Adoption of proven tools to prevent and end homelessness:** Use of a comprehensive community-based prevention and rapid re-housing system that embraces Progressive Engagement, SPDAT, and Housing First activities. Promote program models with successful measurable outcomes that are supported by data.
- **Break-down silos:** Collaborate and coordinate across the CoC to ensure that local, state, and federal resources are used effectively and efficiently to end homelessness.
- **Re-align Programs:** Work as a community to re-align program dollars to keep people housed or to rapidly re-house them.
- **Build public support and political will for ending homelessness:** Share data and best practices with mayors, county officials, schools, and other interested parties;
- **Create a Communications Plan:** Key partners in the community, including MSHDA Housing Agents, mainstream service partners, government officials, consumers, and the general public will need to be notified about how coordinated intake works. Social media, brochures, and informational meetings are just some of the venues communities could use.
- **Data collection, analysis, and reporting:** Collect and analyze data via the Homeless Management Information System (HMIS) (Domestic Violence Agencies use alternative system.) Staff should be trained on when to start entering data, what data must be entered, and how to share data with referral organizations.
- **Map out the Community Intake Process:** Meet with local agencies to create a map of intake using SPDAT as an assessment and referral process, how people move through the system, and where flaws exist. Modify how the HARA can assist in a more coordinated approach.
- **Identify a Process for Evaluating the Centralized Entry Process:** This may involve having a committee that oversees the centralized intake process;
- **Implement Continuous Quality Improvement** and at a minimum the performance measure outcomes as required by MSHDA and outlined in quarterly progress reports;
- **Alignment with and support of local 10-Year Plan to End Homelessness;**
- **Use of shelter beds and transitional housing only when necessary and with a Housing First approach, i.e. shelter diversion;**
- **Collaborate within the Interagency Service Teams (IST) to assist the hardest to serve.**

### **II. Grant Term**

Grants will begin on October 1, 2015 and end September 30, 2016.

### **III. Defining Homeless Persons for Emergency Solutions Grant Funding**

Following is HUD's definition of homelessness. The applicant and its proposed programs or services must serve individuals and families who are homeless as defined below. MSHDA is requiring file documentation to verify need and homelessness, even if it is self-declaration by the head of household.

#### **Homeless means:**

**Category (1) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:**

- (i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
- (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or
- (iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

Category (2) **An individual or family who will imminently lose their primary nighttime residence** provided that:

- (i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
- (ii) No subsequent residence has been identified; and
- (iii) The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing;

Category (3) **Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:**

- (i) **Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);**
- (ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;
- (iii) Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and
- (iv) Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment; or

Category (4) **Any individual or family who:**

- (i) **Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;**
- (ii) **Has no other residence; and**

(iii) Lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing.

#### **IV. Collaboration**

By collaborating together, local partners will work to leverage and coordinate community resources. Although the HARA may provide many services, it is beneficial to partner with other local organizations to assure a cadre of available supports.

For use of ESG funds, a community Memorandum of Understanding (MOU) must be developed between the CoC Body, Fiduciary Agency, HARA, and Sub-grantees, hereafter referred to as “key partners”. The MOU identifies what services will be provided, how services will be coordinated, and how monitoring will be conducted to assure all HUD and MSHDA requirements are met. (A sample template is available at [www.michigan.gov/mshda](http://www.michigan.gov/mshda).)

MSHDA will have one grant with the designated Fiduciary and the Fiduciary will be responsible for grant distribution of funds, compliance and monitoring with community sub-grantees.

Following is an explanation of the minimum duties performed by the CoC, Fiduciary, HARA, and sub-grantee agencies.

#### **V. Defining Roles:**

As in previous ESG NOFA’s, the CoC Body recommends to MSHDA, via completion of the Exhibit 1 - CoC Update, the agencies that will receive funding in line with ESG NOFA parameters and other community identified resources. The CoC recommended Grant Fiduciary will be awarded the CoC’s entire allocation of funds and will be the only agency billing MSHDA for reimbursement.

***MSHDA reserves the right to alter any/all recommendations based on issues of prior applicant performance, applicant capacity, eligibility of project activities, and consistency with the criteria and standards discussed in this NOFA.***

**Continuum of Care (CoC) Body:** The CoC will:

- Regarding the HARA - Agencies currently designated as the HARA for the 2014-2015 ESG Program will continue their role as the HARA for the 2015-2016 ESG Program, unless there is documented evidence of poor performance or extenuating circumstances. Local communities that decide to designate a new HARA for 2015-2016 ESG must obtain approval from MSHDA prior to the submission of the 2015-2016 ESG application. This policy supports capacity building within system change, and fosters community partners to have a vested interest in the success of their designated HARA. Note: the HARA must be an agency that serves **all** populations.
- CoC Bodies must have two standing agenda items for each meeting: 1. the adequacy of Homeless preference names on the HCV waiting list; and 2. the adequacy of names on the PBV waiting lists for MSHDA developments within the CoC. Prior to the CoC meeting talking/e-mailing with the MSHDA Housing Agent regarding lease-up of the vouchers and discussing the status of the Homeless Preference waiting list at CoC meetings is required. For Project Based Vouchers (PBV) maintaining an adequate supply of names will require talking/e-mailing with the management company prior to CoC meetings and discussing the status of the available units at the CoC meetings.

- Work with the PBV management agent, developer, and service agencies to assist with the development in and annual updating of a Memorandum of Understanding (MOU) to provide case management services to supportive housing units as they are made available in the community via the Low Income Housing Tax Credit Program.
- Develop a CoC culture that teaches and makes decisions based upon outcomes.
- Analyze your CoC's portfolio of grants to determine if you have the right mix of housing and services to meet the needs of the homeless households that present for assistance. Determine whether funding for some projects, in whole or in part, should be reallocated to make resources available for new efforts.
- Prioritize the use of ESG funds for proven strategies, especially rapid re-housing for those experiencing chronic homelessness. Note: people **cannot** be denied rapid re-housing because of zero income.
- Explore partnerships with mental health or substance abuse providers to provide the "support" for permanent supportive housing.
- Partner with programs that serve veterans in your community; link them to VA services and supports.
- Require ESG grantees to embrace strength-based case management.
- Identify an agency to function as Fiduciary for these funds.
- Develop a system of care plan that specifically addresses assisting individuals and families living in chronic homelessness, how the plan will be monitored, and what the outcomes are.
- Assure that services provided by the Fiduciary, HARA, and Sub-grantees are meeting the needs of the local community and that critical issues are addressed.
- Provide MSHDA with annual Point in Time (PIT) Chart.
- Provide meeting minutes and e-mail minutes, notices, and agendas to your MSHDA Homeless Assistance Specialist.
- Note: Agencies funded through DHS/MSHDA ESG funds must participate in CoC meetings.

**The Grant Fiduciary will be responsible for:**

- Execution of grant documents for the community's allocation, including:
  - Memorandum of Understanding (MOU) with the CoC Body and with all Key Partners,
  - Sign contract and applicable documents required by MSHDA;
  - Initiate and execute sub-grants as needed.
- Assuring use of funds in accordance with the grant agreement, communicate knowledge of fraudulent activities to MSHDA and the CoC Body;
- MATT 2.0 billing;
- Advise the CoC Body of agencies not using dollars in a timely manner to avoid loss of funds to the community/recapture by MSHDA;
- Evaluate the quality of services and provide oversight of the sub-grantees based upon documented outcomes and in partnership with the CoC.
- Collect and submit quarterly Progress Reports that address specific performance outcomes supported by HMIS data (Domestic Violence Agencies use alternative system). The progress reports are submitted to MSHDA via MATT 2.0 with a copy to the CoC Body.
- Monitor ten percent (10%) of all tenant files, as well as the financial records of sub-grantees, and provide a copy of your findings report to your MSHDA Homeless Assistance Specialist;
- Maintain financial and client level records to support billings. The information must be retained for five years.



**Housing Assessment and Resource Agency will be responsible for:**

- Administering **all** financial assistance dollars for prevention and rehousing;
- Practicing shelter diversion;
- Embracing rapid re-housing; (Note: people with zero income cannot be denied rapid re-housing);
- Employing staff to function as a Housing Resource Specialist, a position that works landlords to house people.
- Employing a staff person to oversee the Housing Choice Voucher Homeless Preference waiting list. This position ensures that people living in homelessness within the CoC are entered on the HCV Homeless Preference waiting list; 2. Re-verifies homelessness every 120 days; 3. Is knowledgeable of MSHDA developments within the CoC that have Project Based Vouchers (PBV), refer applicants to the Project Based Voucher waiting list, and have quarterly contact with the management company at the development regarding availability of the units. (Payment of this employee's salary is an eligible ESG expense as part of housing stabilization, and MSHDA's grant management system, Matt 2.0, will have a budget line where the cost/salary of this employee will be entered.)
- Practicing strength-based case management;
- Working with the CoC Body to ensure quality service delivery;
- Entering client information as well as doing SPDAT on HMIS;
- Routinely review and correct HMIS data quality issues and monitor outcome performance;
- Providing services and/or make referrals to other service agencies as needed;
- Submitting quarterly Progress Reports that address specific performance outcomes supported by HMIS data to the Grant Fiduciary as outlined in their contract.

**Sub-grantees will be responsible for:**

- Working with the HARA and CoC to re-align program dollars, where possible, to fill gaps to end homelessness;
- Embrace strength-based case management;
- Providing allowable services as defined within this NOFA and as specified in their contract with the Grant Fiduciary;
- Entering client information as well as SPDAT on HMIS (Domestic Violence Agencies use alternative system);
- Routinely review and correct HMIS data quality issues and monitor outcome performance;
- Maintaining financial and client level records to support billings. Retain records for four years;
- Requesting payment and provide necessary supportive documentation to the grant fiduciary;
- Submission of quarterly Progress Reports that address specific performance outcomes supported by HMIS data to the Grant Fiduciary as outlined in the grant contract;
- Ensuring compliance with grant terms and provide the grant fiduciary and MSHDA access to financial and programmatic records.

**VI. Selection Criteria**

**Grant Fiduciary:**

- Recommended by the local Continuum of Care;
- Be a 501(c)3 nonprofit agency or local unit of government that operates its principle place of business in the State of Michigan (A CoC Body, if incorporated as a 501(c)3 Entity, is eligible);
- Actively involved in the Continuum of Care planning process;
- Using HMIS to produce quarterly reports. (Domestic Violence Agencies use alternative system);

- Willing to execute a QSOBAA to allow sharing within HMIS;
- Exhibits the financial capacity to administer funds as demonstrated through an audited federal financial statement;
- Has financial management systems in place such as cash receipts and disbursement logs, invoices and cancelled check registers, etc;
- Employing a staff person who possesses a bachelor's degree in accounting, or possess experience in accounting along with college accounting credits, or a bookkeeper whose work is overseen by an accounting firm;
- Considered a *Leader* in the community with the ability to collaborate, coordinate and partner with other local organizations.

**Housing Assessment and Resource Agency (HARA):** Agencies currently designated as the HARA for the 2014-2015 ESG Program shall continue their role as the HARA for the 2015-2016 ESG Program, unless there is documented evidence of poor performance or extenuating circumstances. Local communities that need to designate a new HARA for 2015-2016 ESG must obtain approval from MSHDA prior to the submission of the 2015-2016 ESG application. This policy supports capacity building within system change, and fosters community partners to have a vested interest in the success of their designated HARA. HARA's must be:

- **The agency that enters homeless people on the MSHDA Housing Choice Voucher waiting list with a homeless preference,** assists developers to ensure that case management services are available to new units made available through the Low Income Housing Tax Credit (LIHTC) Program and refers or enters applicants for the Project Based Voucher Program;
- Be a 501(c)3 nonprofit agency or local unit of government that operates its principle place of business in the State of Michigan. (A CoC Body, if incorporated as a 501(c)3 Entity, is eligible);
- Actively involved in the Continuum of Care planning process;
- Experienced in serving homeless populations;
- Experienced in providing assessment referrals/case management services specifically targeted to people who are homeless;
- Experienced with successful HMIS data collection;
- Enter SPDAT into HMIS and uses SPDAT as a tool to help ensure that the right individual/family is getting to the right program to end their homelessness.
- Willing to execute a QSOBAA to allow sharing within HMIS;
- Exhibits the financial capacity to administer funds as demonstrated through an audited federal financial statement;
- Has financial management systems in place such as cash receipts and disbursement logs, invoices and cancelled check registers, etc;
- Employs a staff person who possesses a bachelor's degree in accounting, or possesses experience in accounting along with college accounting credits, or a bookkeeper whose work is overseen by an accounting firm;
- Have established office hours **Monday through Friday, sometime** between 8:00 a.m. to 6:00 p.m., in the county being served, i.e. a rural HARA may have office hours between 8:00 a.m. to 2:00 p.m. Monday through Friday.
- Considered a *Leader* in the community with the ability to collaborate, coordinate and partner with other local organizations.

#### **Sub-grantees:**

- Recommended by the local Continuum of Care;
- Be a 501(c)3 nonprofit agency or a local unit of government that operates its principle place of business in the State of Michigan.
- Actively involved in the Continuum of Care planning process;
- Willingness to re-align existing program structures and use of funds to fill gaps and end homelessness;

- Willing to use HMIS to collect relevant data. (Domestic Violence Agencies use alternative system);
- Use of the Service Prioritization Decision Assistance Tool (SPDAT);
- Willing to execute a QSOBAA to allow sharing within HMIS;
- Exhibit the financial capacity to administer funds as demonstrated through an audited financial statement;
- Has financial management systems in place such as cash receipts and disbursement logs, invoices and cancelled check registers, etc;
- Employs a staff person who possesses a bachelor's degree in accounting, or possess experience in accounting along with college accounting credits, or a bookkeeper whose work is overseen by an accounting firm;
- Displays the ability to collaborate, coordinate and partner with other local organizations.

*MSHDA reserves the right to evaluate the past performance of all recommended agencies and to approve or deny their participation.*

## **VII. Use of Funds**

These funds cannot be used to supplant existing mainstream resources and services. CoC Bodies should be mindful of positive outcomes, based on HMIS (Domestic Violence Agencies use alternative system) and other data, before selecting agencies for funding. Individuals eligible for services through domestic violence, mental health, and substance abuse delivery systems must have services funded through existing budgets. In addition, CoC Body's must be mindful that these ESG funds are used for services that are directly related to obtaining or sustaining housing.

For prevention, assistance should target based upon HUD's definition of "At Risk of Homelessness", using a combination of characteristics (outlined in ESG Policy) as a guide, to prioritize the families and individuals who would become homeless "but for" this assistance.

Agency staff that travel and are reimbursed with MSHDA ESG funds cannot exceed the state standard rate for mileage (\$.39).

MSHDA will allow CoC Bodies to more narrowly define the scope of services provided; however, funding categories cannot be broadened. These funds cannot be used for construction or rehabilitation of shelters.

### **Parameters for spending these dollars:**

- A minimum of forty percent (40%) of the total grant amount must be awarded to the HARA, and funding to the HARA cannot be reduced from last year's level. In addition, if the CoC receives an increased allocation, **funding to the HARA must increase equal to or higher than the highest percent increase provided to a sub-grantee.** For example, a CoC's total allocation increases \$30,000, and a sub-grantee requests a 55% percent increase or \$16,500. Note that a 55% increase would **not** be allowed because the HARA must receive **a percent equal to or high than the highest percent increase to a sub-grantee.** Example two: A CoC's total allocation increases by \$30,000 and there are a total of four sub-grantees; this includes the HARA. Sub-grantee One is requesting a 25% increase or \$7,500. Sub-grantees two and three are each requesting a 15% increase or \$4,500, totaling \$9,000. The remaining 45% or \$13,500 would go to the HARA. This is acceptable because the HARA is receiving an increase equal to or higher than any other sub-grantee.

- Funds to the HARA must be used for **financial assistance (prevention and re-housing) and case management, with 15% of the financial assistance going directly to rehousing leasing assistance, i.e. paying a landlord. The HARA is the only sub-grantee eligible for financial assistance.** (The statewide norm reflects 34% of the HARA's funding is being spent on Case Management and 31% on Prevention/Re-Housing. If a HARA exceeds 34% of their grant going to case management, an explanation must be provided in ESG Exhibit 1 and approval granted by the MSHDA Homeless Assistance Specialist.)
- **Grant administration is limited to seven percent (7%)** of the total grant amount. (**Note:** MSHDA passes 100% of the administrative fees to its sub-grantees, keeping zero money to apply for and administer these grant dollars.)
- HMIS Entry – Input into **HMIS is limited to three percent (3%) of the total grant amount and DV is required to use an alternate system;**

To receive Prevention and Rapid Re-housing funds a household's income must be **below 30 percent of AMI at intake**. A CoC is allowed to restrict funds to households below 30 percent if they so choose. Note that **zero income households do qualify for ESG and must be assisted**. Although third party income verification is not required, the household file must be documented. For example, if a household has rental arrearages and is working, a copy of a pay check stub showing weekly income would be sufficient.

**CoC bodies cannot allocate any of their award money to DV agencies to administer these funds are provided through DHS. However, the HARA must still provide prevention and rapid-rehousing dollars to survivors, and the HARA will also be responsible for entering homeless survivors onto the Homeless Preference Waiting List.**

**No grant to an ESG sub-grantee shall be less than \$10,000.**

## **Eligible Program Components**

### **1. Street Outreach**

- **Essential Services** related to reaching out to unsheltered homeless individuals and families, connecting them with emergency shelter, housing, or critical services, and providing them with urgent, non-facility-based care. Eligible costs include case management and transportation.

### **2. Emergency Shelter**

- **Essential Services** - Case management related to emergency shelter, *referrals* to employment, health care, substance abuse and related services within the community. (Note that *referrals* can be provided, however, **direct case management** for employment, health, substance abuse and other related services **cannot** be provided with these funds.)
- **Shelter Operations** - including maintenance, rent, repair, security, fuel, equipment, insurance, and utilities.

### **3. Prevention: To serve those certified as Homeless, Categories 2-4; certified At Risk of Becoming Homeless, Categories 1-3**

Housing relocation and stabilization services and short-and/or medium-term rental assistance as necessary to prevent the individual or family from becoming homeless if:

- Annual income of the individual or family is below 30 percent of median family income

- Assistance is necessary to help program participants regain stability in their current permanent housing or move into other permanent housing and achieve stability in that housing.

Eligible costs include security deposits, rent arrearages, leasing assistance, utility deposits/arrearages, housing search and placement, housing stability case management, and mediation.

**4. Rapid Re-Housing: To serve those certified as Homeless, Category 1 - only**

- Annual income of the individual or family is below 30 percent of median family income

Housing relocation and stabilization services and short-and/or medium-term rental assistance as necessary to help individuals or families living in shelters or in places not meant for human habitation move as quickly as possible into permanent housing and achieve stability in that housing. Eligible costs also include security deposits, 1st month's rent, utility deposits/arrearages, housing stability case management, landlord-tenant mediation, tenant legal services, and credit repair.

**5. HMIS Data Entry** – Up to three percent (3%) for the costs of participating in HMIS.

**6. Administrative** – Up to seven percent (7%) of the recipient's allocation can be used for general management, oversight, coordination, and reporting on the program. Note: MSHDA keeps zero admin and passes it all to our sub-grantees.

**7. Continuum of Care Costs:** Available only to those Continuum of Care approved to merge under the 2013 Merger grant application, and limited to 5% of the grant amount, capped at \$10,000.

**ESG Funds for DHS DV**

These funds cannot be used to supplant existing mainstream resources and services, i.e., ESG funds can only be used when mainstream funding has been denied or exhausted. DHS should be mindful of positive outcomes, based on the Domestic Violence Agencies computer system and other data, before selecting agencies for funding. Agencies must be mindful that these ESG funds are used for services that are directly related to obtaining or sustaining housing. (See eligible activities/uses below.)

ESG policy and use of ESG forms applies to these grant dollar unless so stated.

**Parameters for spending these dollars:**

- The funds will be used for **shelter operations and housing case management services**;
- **Grant administration is limited to seven percent (7%)** of the total grant amount. (Note: MSHDA passes 100% of the administrative fees to its sub-grantees, keeping zero money to apply for and administer these grant dollars.)
- **Data Entry** – Inputting homeless data into a computer system **is required and is limited to three percent (3%) of the total grant amount.**

**These funds cannot be used for:**

- Funding new shelters, i.e., DHS will not fund any new shelters, only DV shelters MSHDA funded during the 2013-2014 funding round. (This is HUD policy.)
- Construction or rehabilitation of existing shelters.

- Shelter repairs over \$500 must be approved by the MSHDA Homeless Assistance Specialist.
- Financial assistance in the form of homelessness prevention and rapid re-housing dollars. These funds are administered by the HARA.
- Entering names on the Homeless Preference Waiting List. This activity is completed by the HARA.

**No grant to a DV ESG sub-grantee can be less than \$10,000.** (This rule applies all ESG sub-recipients.)